SECOND REGULAR SESSION

SENATE BILL NO. 493

97TH GENERAL ASSEMBLY

INTRODUCED BY SENATOR PEARCE.

Pre-filed December 1, 2013, and ordered printed.

4627S.01I

TERRY L. SPIELER, Secretary.

AN ACT

To repeal sections 162.081, 167.131, and 167.241, RSMo, and to enact in lieu thereof six new sections relating to elementary and secondary education, with an emergency clause.

Be it enacted by the General Assembly of the State of Missouri, as follows:

Section A. Sections 162.081, 167.131, and 167.241, RSMo, are repealed

- 2 and six new sections enacted in lieu thereof, to be known as sections 161.091,
- 3 162.081, 162.1110, 167.131, 167.132, and 167.241, to read as follows:
 - 161.091. 1. As authorized under its duty to classify the schools
- 2 of the state under section 161.092, the state board of education shall
- 3 adopt a system of classification to accredit districts using the
- 4 classifications identified in this section.
- 5 2. Districts shall be classified as accredited with distinction,
- 6 accredited, provisionally accredited, or unaccredited.
- 7 3. As authorized under its duty to classify the schools of the state
- 8 under section 161.092, the state board of education shall adopt a system
- 9 of classification that accredits individual school buildings within a
- 10 district separately from the district as a whole for districts that are
- 11 provisionally accredited or unaccredited.
- 12 4. An annual performance report score for a district or school
- 13 that is between seventy and one hundred shall be consistent with an
- 14 accreditation classification of accredited.
- 15 5. An annual performance report score for a district or school
- 16 that is between fifty and sixty-nine shall be consistent with an
- 17 accreditation classification of provisionally accredited.

SB 493 2

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- 6. An annual performance report score for a district or school that is below fifty shall be consistent with an accreditation classification of unaccredited.
- 7. The state board of education shall develop additional criteria to classify a district as accredited with distinction for any district with an annual performance report score of ninety or higher.
- 8. The state board of education shall consider three years of a district's and school's accreditation data when making an accreditation classification.
- 27 9. When the state board of education classifies a district as 28 provisionally accredited, it shall intervene in the district with individualized improvement measures based on the district's and the 29 underlying community's needs. At such time, the state board of 30 education shall assign each school within the provisionally accredited 31 district an accreditation classification. The state board shall identify 3233 any underperforming schools within the provisionally accredited district and may work with the district and the community to develop 34 interventions specific to them. The state board may transfer any 35 underperforming school to the jurisdiction of the achievement district. 36 37If a provisionally accredited district does not show any growth within a period of time not to exceed five years, the state board of education 38 shall classify it as unaccredited. At such time, the state board of education shall transfer any of the district's underperforming schools 41 to the jurisdiction of the achievement district as created in section 42 162.1110.
- 10. Within no more than five years of classifying a district as unaccredited, if the district is unable to demonstrate sustained improvement and become classified as provisionally accredited or accredited without provisions, the state board of education shall lapse the district's corporate organization and shall:
 - (1) Attach the territory of the district to another district or district for school purposes under paragraph (c) of subdivision (2) of subsection 3 of section 162.081; or
- 51 (2) Establish one or more school districts within the territory of 52 the lapsed district under paragraph (d) of subdivision (2) of subsection 53 3 of section 162.081.
- 54 11. The state board of education shall promulgate rules and

SB 493 3

55 regulations to implement the provisions of this section. Any rule or portion of a rule, as that term is defined in section 536.010 that is 56 created under the authority delegated in this section shall become effective only if it complies with and is subject to all of the provisions 58 of chapter 536, and, if applicable, section 536.028. This section and 59 chapter 536 are nonseverable and if any of the powers vested with the 60 general assembly pursuant to chapter 536, to review, to delay the 61 effective date, or to disapprove and annul a rule are subsequently held 62 63 unconstitutional, then the grant of rulemaking authority and any rule proposed or adopted after the effective date of this section, shall be 64 65 invalid and void.

162.081. 1. Whenever any school district in this state fails or refuses in 2 any school year to provide for the minimum school term required by section 3 163.021 or is classified unaccredited, the state board of education shall, upon a 4 district's initial classification or reclassification as unaccredited:

- 5 (1) Review the governance of the district to establish the conditions under 6 which the existing school board shall continue to govern; or
- 7 (2) Determine the date the district shall lapse and determine an 8 alternative governing structure for the district.
- 9 2. If at the time any school district in this state shall be classified as unaccredited, the department of elementary and secondary education shall 10 conduct at least two public hearings at a location in the unaccredited school 11 12 district regarding the accreditation status of the school district. The hearings 13 shall provide an opportunity to convene community resources that may be useful or necessary in supporting the school district as it attempts to return to 14 accredited status, continues under revised governance, or plans for continuity of 15 educational services and resources upon its attachment to a neighboring 16 17 district. The department may request the attendance of stakeholders and district 18 officials to review the district's plan to return to accredited status, if any; offer technical assistance; and facilitate and coordinate community resources. Such 19 hearings shall be conducted at least twice annually for every year in which the 20 district remains unaccredited or provisionally accredited. 21
 - 3. Upon classification of a district as unaccredited, the state board of education may:

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24 (1) Allow continued governance by the existing school district board of 25 education under terms and conditions established by the state board of education;

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(2) Lapse the corporate organization of the unaccredited district and:

- (a) Appoint a special administrative board for the operation of all or part 28 29 of the district. The number of members of the special administrative board shall 30 not be less than five, the majority of whom shall be residents of the district. The members of the special administrative board shall reflect the population 32 characteristics of the district and shall collectively possess strong experience in school governance, management and finance, and leadership. Within fourteen 33 days after the appointment by the state board of education, the special 34 35 administrative board shall organize by the election of a president, vice president, 36 secretary and a treasurer, with their duties and organization as enumerated in 37 section 162.301. The special administrative board shall appoint a superintendent 38 of schools to serve as the chief executive officer of the school district and to have all powers and duties of any other general superintendent of schools in a 39 seven-director school district. Any special administrative board appointed under this section shall be responsible for the operation of the district until such time that the district is classified by the state board of education as provisionally accredited for at least two successive academic years, after which time the state 43 board of education may provide for a transition pursuant to section 162.083; or
 - (b) Determine an alternative governing structure for the district including, at a minimum:
 - a. A rationale for the decision to use an alternative form of governance and in the absence of the district's achievement of full accreditation, the state board of education shall review and recertify the alternative form of governance every three years;
 - b. A method for the residents of the district to provide public comment after a stated period of time or upon achievement of specified academic objectives;
- 53 c. Expectations for progress on academic achievement, which shall include an anticipated time line for the district to reach full accreditation; and 54
 - d. Annual reports to the general assembly and the governor on the progress towards accreditation of any district that has been declared unaccredited and is placed under an alternative form of governance, including a review of the effectiveness of the alternative governance; or
- 59 (c) Attach the territory of the lapsed district to another district or districts 60 for school purposes; or
 - (d) Establish one or more school districts within the territory of the lapsed

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district, with a governance structure specified by the state board of education, with the option of permitting a district to remain intact for the purposes of assessing, collecting, and distributing property taxes, to be distributed equitably on a weighted average daily attendance basis, but to be divided for operational purposes, which shall take effect sixty days after the adjournment of the regular session of the general assembly next following the state board's decision unless a statute or concurrent resolution is enacted to nullify the state board's decision prior to such effective date.

- 4. If a district remains under continued governance by the school board under subdivision (1) of subsection 3 of this section and either has been unaccredited for three consecutive school years and failed to attain accredited status after the third school year or has been unaccredited for two consecutive school years and the state board of education determines its academic progress is not consistent with attaining accredited status after the third school year, then the state board of education shall proceed under subdivision (2) of subsection 3 of this section in the following school year.
- 78 5. A special administrative board appointed under this section shall retain the authority granted to a board of education for the operation of the lapsed 79 80 school district under the laws of the state in effect at the time of the lapse and may enter into contracts with accredited school districts or other education 82 service providers in order to deliver high-quality educational programs to the 83 residents of the district. If a student graduates while attending a school building in the district that is operated under a contract with an accredited school district 84 as specified under this subsection, the student shall receive his or her diploma 85 from the accredited school district. The authority of the special administrative 86 board shall expire at the end of the third full school year following its appointment, unless extended by the state board of education. If the lapsed 88 district is reassigned, the special administrative board shall provide an 89 accounting of all funds, assets and liabilities of the lapsed district and transfer 90 such funds, assets, and liabilities of the lapsed district as determined by the state 92 board of education. Neither the special administrative board nor its members or employees shall be deemed to be the state or a state agency for any purpose, 93 including section 105.711, et seq. The state of Missouri, its agencies and 95 employees shall be absolutely immune from liability for any and all acts or 96 omissions relating to or in any way involving the lapsed district, the special administrative board, its members or employees. Such immunities, and immunity

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98 doctrines as exist or may hereafter exist benefitting boards of education, their 99 members and their employees shall be available to the special administrative 100 board, its members and employees.

- 6. Neither the special administrative board nor any district or other entity 102 assigned territory, assets or funds from a lapsed district shall be considered a successor entity for the purpose of employment contracts, unemployment compensation payment pursuant to section 288.110, or any other purpose.
- 105 7. If additional teachers are needed by a district as a result of increased 106 enrollment due to the annexation of territory of a lapsed or dissolved district, 107 such district shall grant an employment interview to any permanent teacher of 108 the lapsed or dissolved district upon the request of such permanent teacher.
- 109 [8. In the event that a school district with an enrollment in excess of five 110 thousand pupils lapses, no school district shall have all or any part of such lapsed school district attached without the approval of the board of the receiving school 111 112 district.]
 - 162.1110. 1. Effective January 1, 2015, a school district to be "statewide achievement school district" is the established. The district may be cited and referred to as the "achievement district." The achievement district shall be a body corporate and politic and a subdivision of the state. 5
 - 2. The 6 board of education shall transfer state any underperforming schools located in an unaccredited district to the jurisdiction of the achievement district. The state board of education may also transfer any underperforming schools located in a provisionally accredited district to the jurisdiction of the achievement 10 district. The achievement district shall oversee and administer such 11 12 schools.
 - 13 3. The governing authority of the achievement district shall be vested in a three member governing board, with each member 15 appointed by the governor with the advice and consent of the 16 senate. The length of term for governing board members shall be six 17 years.
 - 18 4. Unless otherwise provided, the achievement district shall be 19 subject to all general laws pertaining to the operation of seven-director districts as defined in section 160.011. 20
- 21 5. The governing board shall select a president from the

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22members by July 31, 2015. The governing board shall select a chief executive officer who shall be a person of recognized administrative ability and shall have all other powers and duties of a superintendent 2425 of schools, including appointment of staff.

- 6. The powers and duties of the achievement district shall include but need not be limited to:
- (1) Managing schools assigned to it by the state board of education so as to provide the best educational opportunity to all students who attend, including but not limited to the authority to determine and act on which schools should be operated, closed, or relocated, and what range of grades should be operated in each school under its direct management;
- (2) Oversight of facility planning, construction, improvement, repair, maintenance, rehabilitation, repurposing, and disposal;
- (3) Employment of such staff members as it deems necessary, including the authority to require all staff under contract at the time a school was transferred to the achievement district to reapply for employment;
- (4) Continuation of contracts in place at the time the school was transferred under the jurisdiction of the achievement district that are not related to personnel, unless the president of the governing board or the other party to the contract gives notice within ninety days of the school transfer that the contract shall be subject to renegotiation;
- (5) Development of a community outreach plan to engage parents and community leaders in the successful operation and academic improvement of all schools under its jurisdiction and to solicit advice on proposed changes and other matters of community significance.
- 7. When the state board of education transfers a school to the 49 jurisdiction of the achievement district, neither the achievement 50 district nor the state board of education shall be considered a successor entity for the purpose of employment contracts, unemployment 52 compensation payment pursuant to section 288.110, or any other 53 purpose. 54
 - 8. When the state board of education transfers a school to the jurisdiction of the achievement district, the district in which the school is physically located shall remain intact for the purposes of assessing, collecting, and distributing property taxes, which shall be distributed

SB 493 8

equitably on a weighted average daily attendance basis to the district and the achievement district. For any district that has a school transferred to the jurisdiction of the achievement district, the department of elementary and secondary education shall divide the district's state aid equitably on a weighted average daily attendance basis and distribute to the achievement district the portion of the district's state aid associated with the school transferred to the achievement district.

167.131. 1. The board of education of each district in this state that does not maintain [an accredited] a high school [pursuant to the authority of the state board of education to classify schools as established in section 161.092] offering work through the twelfth grade shall pay [the] tuition [of] as calculated by the receiving district under subsection 2 of this section and provide transportation consistent with the provisions of section 167.241 for each pupil resident therein who has completed the work of the highest grade offered in the schools of the district and who attends [an accredited] a public high school in another district of the same or an adjoining county.

- 10 2. The rate of tuition to be charged by the district attended and paid by 11 the sending district is the per pupil cost of maintaining the district's grade level grouping which includes the school attended. The cost of maintaining a grade 12 level grouping shall be determined by the board of education of the district but in no case shall it exceed all amounts spent for teachers' wages, incidental purposes, debt service, maintenance and replacements. The term "debt service", 15 16 as used in this section, means expenditures for the retirement of bonded indebtedness and expenditures for interest on bonded indebtedness. Per pupil 1718 cost of the grade level grouping shall be determined by dividing the cost of 19 maintaining the grade level grouping by the average daily pupil attendance. If 20 there is disagreement as to the amount of tuition to be paid, the facts shall be 21submitted to the state board of education, and its decision in the matter shall be 22final. Subject to the limitations of this section, each pupil shall be free to attend the public school of his or her choice. 23
 - 167.132. 1. The board of education of each district in this state
 that has been declared unaccredited pursuant to the authority of the
 state board of education to classify schools as established in section
 161.092 shall pay tuition and provide transportation consistent with the
 provisions of section 167.241 for each student resident therein who

meets the criteria of this section.

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- 2. The rate of tuition to be charged by the district attended and paid by the sending district is the per-pupil cost of maintaining the district's grade-level grouping which includes the school attended. The cost of maintaining a grade-level grouping shall be determined by the board of education of the district but in no case shall it exceed all amounts spent for teachers' wages, incidental purposes, debt service, maintenance and replacements. The term "debt service", as used in this section, means expenditures for the retirement of bonded indebtedness and expenditures for interest on bonded indebtedness. Per-pupil cost 16 of the grade-level grouping shall be determined by dividing the cost of maintaining the grade-level grouping by the average daily pupil attendance. If there is disagreement as to the amount of tuition to be 18 paid, the facts shall be submitted to the state board of education, and its decision in the matter shall be final. Subject to the limitations of this section, each student shall be free to attend the public school of his or her choice.
 - 3. A student who resides in an unaccredited district may transfer to a public school in another district of the same or an adjoining county if the receiving district is accredited without provisions by the state board of education and the student follows the procedures required by this section. Before a student who attends a public school in an unaccredited district may transfer to an accredited district in the same or an adjoining county, the unaccredited district shall determine if there is sufficient capacity in a district school offering the student's grade level of enrollment that is classified as accredited by the state board of education at the individual building level. If such capacity exists, the student shall remain enrolled in the unaccredited district and attend the accredited school, provided that the student meets any admissions requirements criteria if the school is a magnet school, academically selective school, or school with a competitive entrance process.
 - 4. The parent or guardian of a student who seeks to transfer to an accredited district in the same or an adjoining county shall provide proof that the student has resided in the unaccredited district for at least twelve months prior to seeking to transfer out of the district. Any student who has transferred to an accredited district shall maintain

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residency in his or her unaccredited district of residence to continue eligibility for enrollment in the accredited district. If a student does not maintain such residency, the student shall no longer be eligible to attend the accredited district. If a transfer student withdraws from the accredited district in which he or she has enrolled, the student shall be ineligible to transfer to another district.

- 5. By August 1, 2014 each local school board shall establish specific criteria through board policy for the admission of nonresident pupils from districts that have been classified as unaccredited by the state board of education who seek admission into a school district under this section. Each school board shall adopt and publish a policy for reasonable student and teacher ratios and reasonable class sizes. When adopting its policy, each school board shall consider previous years' student enrollment, student and teacher ratios, and class size. Each school board shall take into account the district's resident student population growth or decrease, based on demographic projections provided by the office of socioeconomic data analysis, such that the receiving district shall not be required to employ additional teachers or construct new classrooms to accommodate such transfer pupils. No resident pupil shall be displaced from a school to which he or she would otherwise be assigned to accommodate the admission of a nonresident pupil. The assignment of a student to a particular building shall be the decision of the receiving district.
- 6. If an unaccredited district becomes classified as provisionally accredited or accredited without provisions by the state board of education, resident students of the unaccredited district who are enrolled in an accredited district in the same or an adjoining county under this section shall be permitted to continue their educational program in the accredited district through the highest grade level of enrollment offered in the district or graduation.
- 73 7. For the purposes of this section, the following terms shall mean:
 - (1) "Accredited district", a school district that is accredited by the state board of education pursuant to the authority of the state board of education to classify schools as established in section 161.092;
 - (2) "Provisionally accredited district", a school district that is classified as provisionally accredited by the state board of education

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pursuant to the authority of the state board of education to classify schools as established in section 161.092;

(3) "Unaccredited district", a school district classified as unaccredited by the state board of education pursuant to the authority of the state board of education to classify schools as established in section 161.092.

167.241. Transportation for pupils whose tuition the district of residence is required to pay by section 167.131, section 167.132, or who are assigned as provided in section 167.121 shall be provided by the district of residence; however, in the case of pupils covered by section 167.131 or section 167.132, the district of residence shall be required to provide transportation only to school districts accredited by the state board of education pursuant to the authority of the state board of education to classify schools as established in section 161.092 and those school districts designated by the board of education of the district of residence.

Section B. Because of the importance of improving and sustaining 2 Missouri's elementary and secondary education system, section A of this act is 3 deemed necessary for the immediate preservation of the public health, welfare, 4 peace and safety, and is hereby declared to be an emergency act within the 5 meaning of the constitution, and section A of this act shall be in full force and 6 effect upon its passage and approval.

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